



Ella Ennis, Legislative Chairman  
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The Honorable Vanessa Atterbeary, Chair  
and Members of the Ways and Means Committee  
Maryland House of Delegates  
Annapolis, Maryland

RE: **HB 1554** - Sales and Use Tax - Taxable Business Services – Alterations - **UNFAVORABLE**

Dear Chair Atterbeary and Committee Members,

The Maryland Federation of Republican Women opposes HB1554 because it will increase the price of many services used by the public. Imposing the sales and use tax on business-to-business transactions will be passed on the public.

We have been in a period of high inflation for several years, and the average family is hurting. Electricity prices are surging and inflation-based taxes are increasing.

The extension of the Sales and Use Tax is being considered at the same time that the General Assembly is considering revisions that will increase income tax for many and eliminate itemized deductions for all Marylanders, both resulting in increased income tax for a majority of payers.

We are also burdened by multiple provisions in the tax code that automatically increase annually with inflation but are not lowered when inflation decreases.

We understand that the State is facing budget deficits. It is critical that you consider the total burden of all proposed solutions on families and small businesses.

Adjustments to program implementation timeframes and reductions to program increases must be given equal consideration.

Please vote an **UNFAVORABLE** report for **HB1554**.

Sincerely,

Ella Ennis  
Legislative Chairman